

LAW OFFICE OF CHRISTOPHER G. METZGER

Christopher G. Metzger

Thomas A. Thiesen

**Attorneys at Law
707 "K" Street
Eureka, CA 95501**

(707) 441-1185
Fax (707) 441-8470

Email: Eurmetzger@aol.com



January 28, 2004

RECORDATION NO. 24810 FILED

DOCUMENTS FOR RECORDATION

FEB 09 '04 2-40 PM

SURFACE TRANSPORTATION BOARD

Secretary
Surface Transportation Board
Washington, DC 20423

RE: *Northern Counties Logging Interpretive Association*
Commercial Security Agreement for Recordation

To Whom It May Concern:

Enclosed please find:

1. Commercial Security Agreement (original)
2. Acknowledgment Copy
3. Check in the amount of \$30.00

PLEASE:

- A. File the original Commercial Security Agreement
- B. Return acknowledgment copy to this office at the above-noted address

Thank you for your attention to this matter.

Sincerely,

THOMAS A. THIESEN

Encl.

Loan Number	Date of Note	Due Date	Principal Amount	COMMERCIAL SECURITY AGREEMENT
	1/ <u>31</u> , 04	\$10,000 due at the end of 5 years; \$10,000 due at the end of 10 years.	\$20,000	
References above to a particular loan or item do not limit the applicability of this Security Agreement				

Borrower: Northern Counties Logging Interpretive Association
P.O. Box 6399
Eureka, CA 95502

Lender: Lucius Amrein
P.O. Box 400265
Hesperia, CA 92340

Location of Collateral (if different from Borrower's address): To be located in Humboldt County, California, or other location determined by borrower.

Grant of Security Interest. For value received, and to secure both the payment of the Indebtedness owed to Lender and the performance of the obligations under this Security Agreement and any Related Documents, and in accordance with the definitions and terms set forth below, Borrower grants Lender a security interest in all of the following Collateral:

- ☐ All of the Collateral described in Schedule(s)/Addenda covering _____, attached to this Security Agreement and incorporated by reference in this Security Agreement.
- ☐ All Inventory (including Dealer Inventory)
- ☐ All Chattel Paper
- ☐ All Accounts and Contract Rights
- ☐ All Equipment
- ☐ All General Intangibles
- ☐ All Crops
- ☐ All Fixtures
- ☐ All Farm Equipment and Farm Products (including Livestock)

RECORDATION NO. 24810 FILED

FEB 09 '04

2-40 PM

SURFACE TRANSPORTATION BOARD

X **Pacific Lumber Locomotive #37** built by American Locomotive Company under construction number 66033 in or about December 1924.

1. Definitions.

- 1.1 Indebtedness.** "Indebtedness" shall mean all amounts and liabilities of every kind and description, whether now owed or hereafter owed by Borrower to Lender, whether or not evidenced by a promissory note or credit agreement and whether direct, indirect, or contingent.
- 1.2 Related Documents.** "Related Documents" shall mean the promissory notes, loan agreements, guaranties, trust deeds, mortgages, other security agreements, or any other documents executed in connection with this Security Agreement or the Indebtedness, whether already existing or executed now or later.

- 1.3 **Additional Grantor.** Any "Additional Grantor" who cosigns this Security Agreement but does not execute the promissory note or other debt instrument is cosigning this Security Agreement only to grant Lender a security interest in the Collateral under this Security Agreement to secure the Indebtedness, and is not personally liable on the note or debt instrument except as otherwise provided by law or contract. Additional Grantor agrees that Lender and Borrower may agree to extend, modify, forbear, or make any other accommodations or amendments with regard to the Indebtedness or this Security Agreement as to Additional Grantor's consent and without releasing Additional Grantor or modifying this Security Agreement as to Additional Grantor's interest in the Collateral. Additional Grantor acknowledges that Lender is relying on its participation in this Security Agreement and would not extend or maintain the Indebtedness otherwise. References to "Borrower" include the Additional Grantor except to the extent any such reference creates liability on the Indebtedness beyond the Collateral. The Additional Grantor's name and address are:
-

- 1.4 **Collateral.** "Collateral" shall mean the collateral described above, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located; and
- (a) All accessions, parts, or additions to and all replacements of and substitutions for any of the property described above; and
 - (b) All proceeds (including insurance proceeds) from the sale or other disposition of any of the property described above, including that described in the preceding subparagraph.
 - (c) In addition to all liens upon, and rights of setoff against the moneys, securities, or other property of Borrower given to Lender by law, Lender shall have a security interest in and a right of setoff against all moneys, securities, and other property of Borrower now or hereafter in the possession of or on deposit with Lender, whether held in a general or special account or deposit, or for safekeeping or otherwise; and ever such security interest and right of setoff may be exercised without demand upon or notice to Borrower. No security interest or right of setoff shall be deemed to have been waived by any act or conduct on the part of Lender, or by any neglect to exercise such right of setoff or to enforce such security interest, or by any delay in so doing; and every right of setoff and security interest shall continue in full force and effect until such right of setoff or security interest is specifically waived or released by an instrument in writing executed by Lender.

7. **Waiver.**

Lender shall not be deemed to have waived any rights hereunder (or under the Related Documents) unless such waiver be in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a breach of a provision of this Security Agreement shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Whenever consent by Lender is required herein, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required herein.

8. **Remedies Cumulative.**

All of the Lender's rights and remedies, whether evidenced hereby or by an other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Borrower under this Security Agreement after Borrower's failure to perform shall not affect Lender's right to declare a default and exercise its remedies under Section 6.

9. **Successor Interests.**

This Security Agreement shall be binding upon and inure to the benefit of the parties, their successors, and assigns, but whenever there is no outstanding Indebtedness, Borrower may terminate this Security Agreement upon written notice to Lender.

10. Notice.

Any notice under this Security Agreement shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, addressed to the parties at the addresses stated herein or such other addresses as either party may designate by written notice to the other.

11. Expenses, Costs, and Attorneys' Fees.

In the event Lender is required to commence any suit or action to enforce any of the terms of this Security Agreement, Lender shall be entitled to recover from Borrower reasonable attorneys' fees and legal expenses at trial and also such fees and expenses on appeal, in addition to all other sums provided by law. In the event that Lender is otherwise required to incur any expenses whatsoever to protect or enforce its rights hereunder, whether or not litigation is commenced, Lender shall be entitled to recover any and all such sums and all incidental expenses, including such reasonable attorneys' fees. All such sums shall be part of the Indebtedness secured hereby.

12. Applicable Law.

This Security Agreement is accepted in and shall be governed by the laws of the state in which the Lender is located.

13. Multiple Parties; Corporate Authority.

If Borrower consists of more than one person or entity, all obligations of Borrower under this Security Agreement shall be joint and several. Where any one or more of Borrowers are corporations or partnerships it is not necessary for Lender to inquire into the powers of Borrowers or the officers, directors, partners, or agents acting or purporting to act on their behalf, and any Indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

14. Special Provisions:

IN WITNESS WHEREOF, the parties have executed this Security Agreement as of the dates shown below.

BORROWER:

Marcus Brown
Northern Counties Logging Interpretive Association
By: Marcus Brown, President

Date 1/15/04
Michael Kellogg
Northern Counties Logging Interpretive Association
By: Michael Kellogg

Date 1-15-04

LENDER:

Lucius Amrein
Lucius Amrein

Date 21 JAN 04

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Humboldt } ss.

On January 15, 2004 before me, Julie A. Metzger, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Marcus Brown and Michael Kellogg
Name(s) of Signer(s)

☐ personally known to me
☒ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Julie A. Metzger
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Commercial Security Agreement

Document Date: January 2004 Number of Pages: 4

Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

**RIGHT THUMBPRINT
OF SIGNER**

Top of thumb here

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN BERNARDINO

} ss.

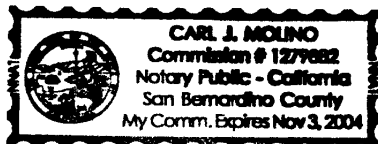
On JANUARY 21, 2004, before me, CARL J. MOLINO, NOTARY PUBLIC

personally appeared LUCIUS AMBEIN

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

Name(s) of Signer(s)

☒ personally known to me
☐ proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: COMMERCIAL SECURITY AGREEMENT

Document Date: 01-31-04 Number of Pages: 4

Signer(s) Other Than Named Above: MARRIS BROWN AND MICHAEL KELLOGG

Capacity(ies) Claimed by Signer

Signer's Name: LUCIUS AMBEIN

- ☒ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

**RIGHT THUMBPRINT
OF SIGNER**
Top of thumb here